



THE TALENT SUPPLY CHAIN: HOW TO UNDERSTAND IT TO STAY COMPETITIVE IN TODAY'S MARKET

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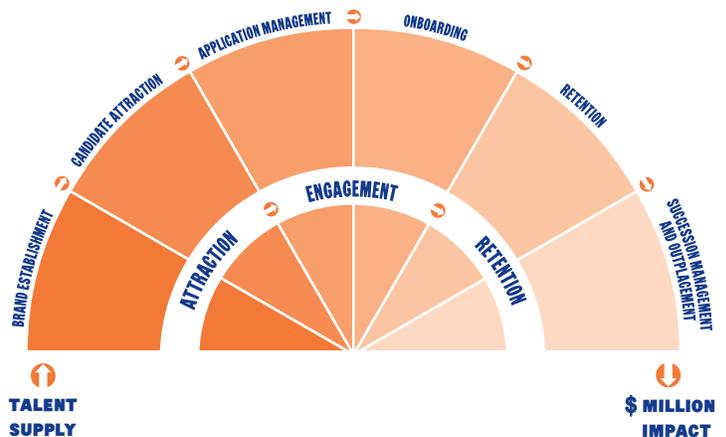
OVERVIEW

In today's tightening labor market, it is crucial that organizations take a holistic approach to defining their workforce management process, or Talent Supply Chain. Many organizations now look at the way they attract talent the same way that they attract customers, which includes the development of media plans and back-end customer or candidate life cycles. One of the biggest shifts in talent attraction is the move to involve individuals outside of the traditional Human Resources department. Organizations include their Marketing, Operations, and Training and Development divisions to ensure that all aspects of the employee life cycle are optimized and consistent.



The Talent Supply Chain is composed of three main phases: attraction, engagement and retention. These phases break down further into six total stages: Brand Establishment, Candidate Attraction, Application Management, Onboarding, Retention and Succession Management. While each stage can develop

independently of the others, the optimized Talent Supply Chain builds from the brand through to succession.



The first step in evaluating your organization's Talent Supply Chain is understanding where your organization may need to fine tune a process. This white paper thoroughly explains each stage of the Talent Supply Chain, enabling you to better assess and enhance your talent acquisition process.

The Talent Supply Chain

I. BRAND ESTABLISHMENT



Nearly half (49%) of employees state that an employer's reputation or employment brand had a significant influence on their decision to work for their organization.¹ Today's skilled workers have a choice in where they work and are attracted to organizations that fit them culturally. It is crucial that an organization's employment brand sells that internal culture and does so with authenticity.

Not only does building an employment brand aid in attracting those qualified candidates, but it is crucial to the overall recruitment process. Talent recruitment is no different than customer recruitment. Every great media strategy, whether consumer- or talent-driven, begins with creating a message and defining the audience to whom you will deliver that message.

The first step to creating the employee message is figuring out how your current employees define your brand and then understanding what your ideal employees look for in a company. Eliciting the help of an unbiased third party to conduct internal and external surveys and focus groups helps better define these two messages and see if they conflict. With this information, you can then create a message that accurately reflects both your culture and ideal brand.

Once the message and audience are defined, develop creative that best communicates the message to that audience. Many tools exist that effectively communicate this message: video, display advertisements, sponsorships and events. CareerBuilder can assist you in developing the creative and targeting your message to the specific candidates you seek.

II. CANDIDATE ATTRACTION



The candidate attraction stage is where organizations disseminate their employment message to their target audience and engage them to take interest in an opportunity. In today's competitive job seeker market, organizations must understand where their audiences are and target them more effectively than their competition.

The first step to attracting quality candidates is understanding how much reach, or Share of Voice, you currently have into your target candidate pool. This will give you an accurate benchmark for measurement after building and implementing your Candidate Attraction Media Plan. When

devising your Candidate Attraction Media Plan, it is crucial that you understand your current reach and that you define how much Share of Voice you need to accomplish your goals of attracting the right candidates.

To determine Share of Voice, you must first add up your current reach. (Consider how many people viewed your job posting; how many people applied to your job; and how many people interacted with your brand in the past 12 months.) Then compare that figure to the total number of opportunities currently available. Your account representative can help you with this analysis.

Understanding how job seekers apply to certain jobs is essential to creating your media plan. Consumers and job seekers make decisions based on five steps: Awareness, Interest, Motivation, Demand and, ultimately, Action. The more exposure candidates have to your brand and targeted message, the more likely they are to recall your opportunity, moving from the Awareness stage to the Interest Stage. Once in the Interest stage, it simply takes an experience at work or talk at home to move them to the Motivation stage. After further exposure to your message again, Demand should set in and motivate them to take Action. This "action" is applying to your opportunity.

It is also important to understand how candidates take action with your organization through both direct and indirect response. Direct response is where you receive candidates' information as soon as they apply for your opportunity. For example, if a candidate is on a job site, such as CareerBuilder, and clicks on the "apply" button to submit his or her personal information over the Internet, then this action is a direct response. It is tracked easily because the action occurred where the advertisement was seen.

On the other hand, about 40 percent of candidates become aware of opportunities on CareerBuilder but do not apply there. Instead of applying on our platform, they go to the Web site of the company advertising the opportunity and apply there. This action is indirect response. Indirect response is more complicated to track, but not impossible. Companies can set up measurement tools that track a candidate online for 30 days. Once they have been made aware of an opportunity on a platform like CareerBuilder, then the tool can track the candidate to the company Web site. This measurement is important to consider when evaluating the effectiveness of your advertising strategy. Even if a candidate does not apply on CareerBuilder, it does not mean they were not made aware of the opportunity.

III. APPLICATION MANAGEMENT



This stage of the process is arguably the most important step. If an organization's process for managing through applicant flow is broken, the best candidates could slip through the cracks, or – even worse – it could damage a company's employment brand if too many people have bad experiences. Organizations must have a good process in place before they open the flood gates of applicants.

The application management stage includes candidate engagement, screening, application collection, integration with applicant tracking systems, interviewing and measurement/tracking. CareerBuilder and Personified, a CareerBuilder company, can aid in all steps of this process utilizing tools within the CareerBuilder solution or whole or partial outsourcing

CANDIDATE ENGAGEMENT: Once the candidate is aware of an opportunity and is motivated to apply, the candidate is now engaged with that organization. Once that candidate applies, it is crucial that the applicant understands where he or she is in the process. You can set up automatic touch points with CareerBuilder's solutions. Candidates should know that their applications were received, that they are being considered for the positions and what the time line for the application process is. They should also receive information informing them that they are not the right fit, if that is the case.

SCREENING: After candidates are engaged with the opportunity, companies should have a good screening process in place so their recruiters are not overwhelmed with a high volume of unqualified candidates. Filtering questions should be attached to each job advertisement so unqualified candidates are screened out from the beginning, and your recruiters are only dealing with the qualified candidates. This step will save your recruiting staff time and ensure that no qualified candidates are lost in the sea of resumes.

APPLICATION COLLECTION: Once candidates are screened and become viable applicants, organizations should have a process for organizing and distributing these applicants to the right hiring managers.

TECHNOLOGY AND INTEGRATION: One way of organizing and distributing applications is through an Applicant Tracking System (ATS). Each ATS is unique, so if you are in the market for one, find an unbiased advisor like CareerBuilder, who can help you make the right decision for your business.

INTERVIEWING: Interviewing is such a crucial part of the process that many organizations' hiring managers participate in training and development classes for effective interviewing. CareerBuilder has worked with companies to create custom training programs that speak specifically to the challenges and processes hiring managers must master.

MEASUREMENT/TRACKING: Finally, organizations must put the proper tracking and metrics in place to effectively measure, benchmark and improve their plans. As the Internet and recruiting continue to evolve, new solutions will surface; making it important to benchmark your current strategy before trying new ideas. Applicant Tracking Systems can aid in this process, but most are inefficient in measuring indirect response. CareerBuilder employs the most current methods for tracking indirect response activity of candidates online.

IV. ONBOARDING



With the majority of companies' turnover happening in the first 90 days, onboarding has become a focus for today's human resources and training departments. At this stage, a candidate becomes a new employee, and the organization must make a concerted effort to keep that employee engaged throughout this process.

New hire orientation, training and mentoring programs are all viable tools for keeping employees engaged within the first 90 days. Outside consultants can evaluate your current process and offer best practices for improving or replacing these programs.

The onboarding process is just as critical as the hiring process. The onboarding process should provide new hires with the knowledge, tools, and contacts they need to succeed in their new roles. It is also about assimilating a new person into your existing workforce so he or she can become a productive and happy member of your team. Overall, this integration means making them feel comfortable, safe and welcome in their new environment.

An effective onboarding program greatly reduces new hire turnover and, consequently, recruitment costs. Plus, it tends to increase the average tenure of your employee base. It also helps your employment branding message because it moves your employees to become your strongest advocates.

The Talent Supply Chain

V. RETENTION



Long-term employee retention is a product of the culture of the organization and how much the organization lives up to its employment brand. If turnover becomes an issue or increases drastically, a company may need to take a step back and assess the culture with the help of a non-biased third party. It is important that the outcome of this assessment aligns with how the company outwardly communicates its brand or culture during the recruitment phase.

If the internal culture matches with the external employment brand, and turnover is still a problem, the organization may need to consider training and development for opportunities to improve. Employees need to grow and enhance their knowledge and skills while at a company. It not only benefits the employee, but the company as well, because it stimulates innovation, idea generation, and new ways of thinking.

Other ways to improve retention include recognition programs, job rotations, and career path delineation. To truly understand your company's unique needs, however, outside consultants can help you determine why employees leave by administering exit interviews, or what they need or want from you as an employer with company surveys. This information enables you to develop a tailored retention program to best meet the needs of your workforce. Another option is to look at your talent to determine if your profile of the ideal candidate is correct.

VI. SUCCESSION MANAGEMENT



Ensuring leadership continuity and building talent from within is mandatory for organizations to maintain or gain their competitive edge. One of the best practices in succession planning is to simply have a plan. Some are manual and others may require an investment in database tools. Whichever stage your organization is in, make sure you have a clearly defined track for developing leaders from within.

Some organizations focus on succession planning for leadership and management only, while others focus on the entire organization, developing career paths and grooming people for new positions. Succession planning is part of managing your pipeline of candidates. Your current employees should be your top-line candidates for most open positions if you are grooming them and actively

maintaining information on the knowledge and skills of your internal people.

Organizations should develop a strategy for tracking internal candidates' talent, monitoring openings for which they may be a fit, and making sure they are on track for vertical and horizontal moves. This strategy should lead to the development of a better candidate management system and a robust internal referral program.

CONCLUSION

The first step in the Employee Life Cycle is an evaluation of the current process. Because it can be difficult to evaluate your process objectively, it may be necessary to commission an outside consulting firm to help with this important step. CareerBuilder talent acquisition and consulting services provide solutions for every stage of the talent supply chain discussed in this white paper. More information is available at www.CareerBuilder/brochure, www.thehiringsite.com or www.personified.com.

ABOUT CAREERBUILDER

CareerBuilder is the global leader in human capital solutions, helping companies target and attract their most valuable asset – their people. Its online career site, CareerBuilder.com is the largest in the U.S. with more than 23 million unique visitors, 1 million jobs and 31 million+ resumes. CareerBuilder works with over 300,000 employers, providing resources for everything from employment branding and data analysis to talent acquisition. More than 9,000 Web sites, including 140 newspapers and broadband portals such as MSN and AOL, feature CareerBuilder's proprietary job search technology on their career sites. Owned by Gannett Co., Inc. (NYSE:GCI), Tribune Company, The McClatchy Company (NYSE:MNI) and Microsoft Corp. (Nasdaq: MSFT), CareerBuilder and its subsidiaries operate in the U.S., Europe, Canada and Asia. For more information about CareerBuilder solutions, please call: **1-877-FILL-A-JOB.**